

GREECE TOURISM REVENUE DECLINED DESPITE RISING VISITOR NUMBERS



Greece tourism faces a paradox - despite record visitor numbers of 17 million people from abroad, the industry revenues have declined in the first eight months of 2016 compared to the same period in 2015 by 8.8 percent.

The travel experts believe that the visitors were more economical. **While they come often they book at the last minute to achieve the lowest prices for accommodation and transport.**

Last week, the Greek Central Bank announced their initial assessment of the holiday season 2016. According to the bank, 17.19 million tourists came to the country from January to August this year. This represents 1.8 percent more than during the same period last year. The Greece tourism revenue, however, dropped from 9.25 billion euros to 8.43 billion euros.

The head of the Association of Tourism Enterprises (SETE), Andreas Andreadis, stated that the decline was caused by increased taxes. As a part of the austerity measures Athens had cut tax privileges for the popular islands of Mykonos, Santorini, Rhodes, Naxos, Paros and Skiathos this year. The VAT of 24 percent now needs to be paid instead of 17 percent.

From 1 January 2017, the VAT is to increase on all other Aegean islands. Additionally, the tax charges also increased with respect to hotel rooms, alcoholic beverages and some food.

The owners of numerous Greece tourism businesses, taverns and bars have therefore applied some countermeasures. According to some experts, many companies skip issuing the receipts for the customers to avoid taxes.

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